

SOUTH TAHOE
PUBLIC UTILITY DISTRICT

Robert G. Baer, General Manager

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FAX COVER SHEET**Date:** February 25, 1999

To: Kerry Miller / City of South Lake Tahoe
Dennis Machida / California Tahoe Conservancy
Stan Hansen / Heavenly Ski Resort
Vicki McGowen / Incline Village-Crystal Bay Visitor and Convention Bureau
Jim Jeffers / Incline Village Crystal Bay Chamber of Commerce
Harold Singer / Lahontan Regional Water Quality Control Board
Steve Teshara / Lake Tahoe Gaming Alliance
Terry LeBan / Lake Tahoe Visitors Authority
Trish Ronald, Dwight Steele / League to Save Lake Tahoe
Suzanne Pearce / Nevada-Tahoe & Tahoe Resource Conservation District
Ron McIntyre / North Lake Tahoe Chamber of Commerce
Dennis Crabb / Rollston, Henderson & Crabb
Duane Wallace / South Lake Tahoe Chamber of Commerce
Pam Wilcox / State of Nevada, Dept. of Conservation and Natural Resources
Chris Freeman / State of Nevada, Dept. of Conservation and Natural Resources
Kathy Farrell / Tahoe-Douglas Chamber of Commerce
Jim Baetge, Carl Hasty, Jim Allison / Tahoe Regional Planning Agency
Mary Gilanfar / Tahoe-Sierra Preservation Council
Jane Freeman / US Environmental Protection Agency (Lake Tahoe Team)
Juan Palma, Colin West, Jane Oden / USDA-Forest Service

From: Chris Strohm**Total Number of Pages:** 4530/
To Juan Palma 573-2739

SOUTH TAHOE
PUBLIC UTILITY DISTRICT

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February 25, 1999

Ms. Rochelle Nason
The League to Save Lake Tahoe
955 Emerald Bay Road
South Lake Tahoe, CA 96150

Via Facsimile
541-5454

Dear Rochelle:

I am writing this letter in advance of our meeting on March 4, 1999. As you may recall our conversation at our last meeting, I offered STPUD's support of the Coalition's list of projects, both with political assets and with our paid advocate in Washington D. C. In retrospect, I made this offer without really knowing enough about the projects. Your line of penetrating questions about our export pipeline project prompted me to reconsider on behalf of the approximately 40,000 people I represent with regard to the expenditure of their money.

If you would be so kind to provide the following information, we should have a very productive meeting:

- 1) Tell us in sufficient detail to provide us a comfort level as to why each project is best for Tahoe at this time.
- 2) Please provide Lahontan's and TRPA's position in writing that they concur with the above, and why.
- 3) Provide a schedule with the start, duration, and end of each project.
- 4) Provide a financial plan for each project that ties to the grant and construction schedule. Please include the justification that these totals will complete the job. Include the Federal, State, and local match amounts.
- 5) You stated during our meeting that Tahoe is special and that people who are privileged to live here should pay extra, and I agreed. On March 4, would you please tell us why the local match appears to be less than a third for the Coalition supported projects, when the District is required to pay 45% and actually will be paying much more due to EPA not recognizing our pre-grant costs?

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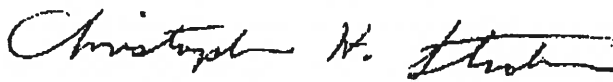
- 6) For each project, please tell us each entity, and the person or departments that will administer each grant.
- 7) With each project, please tell us each entity, the department, and the department head that will provide the engineering, plans, permits, and specifications for the actual construction.
- 8) With each project, please tell us each entity, the department, and the department head that will oversee the construction.
- 9) Please provide the name of the entity, and source of funding that will be required to maintain each project after it is built.
- 10) Please provide a depreciation and replacement schedule with associated costs for each project.

I am sure all this has been done and it is just a matter of collecting the information. I haven't been able to attend all the Lake Tahoe Transportation and Water Quality Coalition meetings, just as you were not able to attend all our public meetings when projects and budgets were discussed. But just as we took special time to provide you with all of the above, I'm sure you won't mind doing the same for us. In any case, this information (along with an EIR: Economic Impact Report) will be asked for in local match discussions to determine if these projects are well thought out and worthy of investment.

We are very close to having the answers to your questions with regard to the risk analysis by our experts concerning repair vs. replacement of our export line. I sincerely hope you agree that our level of trust will multiply many times with this exchange of information. In the meantime, I take you at your word that you have done nothing in Washington D. C., or locally, to derail our effort to obtain our grant.

Please feel free to call me if you have any questions, or you need more time to prepare for our meeting. Although I will be out of town until Monday, March 1, you can leave a message for me at the District at 544-6474, extension 203. I look forward to meeting with you.

Sincerely,



Christopher H. Strohm
Vice President, Board of Directors

CS/ks

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